

2003 FARM INCOME HIGHLIGHTS

CASH RECEIPTS

Farm product sales during 2003 totaled \$3.47 billion for Kentucky producers, up 10 percent from 2002. Crop sales totaled \$1.24 billion, up 4 percent from 2002. Livestock and livestock product sales generated \$2.23 billion, up 13 percent from the 2002 level. Sales of horses and stud fees were the leading source of cash receipts for Kentucky farmers during 2003 with \$800.0 million, followed by all poultry (broilers, eggs and other poultry) with \$613.2 million. Cattle and calves sales were third with \$543.9 million.

Sales of horses and stud fees were the largest source of livestock and livestock products cash receipts for Kentucky at \$800.0 million, 23 percent of total receipts. Horse sales for 2003 were 5 percent above 2002. All poultry receipts ranked second with \$613.2 million, 20 percent above 2002. Cattle and calves receipts came

in third and generated \$543.9 million, up 32 percent from 2002. Sales of dairy products and hogs decreased from 2002 levels. Receipts from dairy products ranked fourth at \$192.0 million, while hogs were fifth with \$66.7 million in cash receipts during 2003.

Soybean, wheat and hay cash receipts were above 2002 while tobacco and corn cash receipts were below 2002 levels. Tobacco receipts were down 3 percent from 2002 to \$431.2 million during 2003. Tobacco accounted for 12 percent of total receipts and remained the number one cash crop for Kentucky. Soybeans was the number two crop with \$305.6 million in cash receipts, 19 percent above 2002. Corn ranked third and generated \$259.4 million in sales during 2003, 8 percent below the \$280.9 million for 2002. Hay and wheat were fourth and fifth in crop cash receipts. Hay sales totaled \$74.0 million during 2003, while wheat sales were \$60.3 million.

PRICES RECEIVED BY KENTUCKY FARMERS

Livestock average prices were above 2002 prices with the exception of milk cows. Milk prices were up from the previous year. Average prices received in 2003 were above the 2002 prices for all major crops except corn.

Cattle and calf prices were up during 2003. Steers and heifers weighing over 500 pounds averaged \$81.20 per hundred pounds, up \$7.40 from 2002. Beef cows averaged \$43.20 per hundred pounds in 2003, up \$6.20 from 2002's price of \$37.00 per hundred pounds. Calves under 500 pounds averaged \$92.00 per hundred pounds during 2003, up \$7.10 from 2002.

Hog prices increased from 2002's average price. Barrows and gilts averaged \$36.80 per hundred pounds during 2003, up \$5.40 from 2002. Sows averaged \$27.60 per hundred pounds, up \$5.30 from the previous year. All hogs averaged \$36.40 per hundred pounds, up \$5.40 from 2002's price of \$31.00 per hundred pounds.

The all milk price for 2003 averaged \$13.40 per hundred pounds, up 20 cents from 2002's price of \$13.20. Fluid grade milk price was the same as the all milk price for both years. Milk cow price at \$1,340.00 per head, was

down \$210.00 per head from 2002. The manufactured grade price was discontinued in April 2002.

The 2003 average price for broilers was 34.0 cents per pound, compared with 30.0 cents per pound in 2002. Egg price at 88.9 cents per dozen, was up 5.2 cents from the previous year.

The preliminary marketing year average price for corn was \$2.55 per bushel, compared with \$2.58 for 2002. Soybeans averaged \$7.60 per bushel, up \$1.86 from the previous year. The marketing year for corn and soybeans is September through August. Wheat prices averaged \$3.25 per bushel, up from 2002's price of \$3.01. The marketing year for wheat is July through June.

Burley tobacco averaged \$1.982 per pound during the 2003 marketing season, a record high price for burley tobacco. All four dark tobacco prices also established record high prices.

The all hay price averaged \$78.50 per ton during 2003. Alfalfa hay averaged \$110.00 per ton, up \$8.00 per ton from the 2002 average. All other hay averaged \$64.00 per ton, up \$5.00 per ton from the previous year.